

**STATE OF HAWAII**  
**REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS**

To: Chief Procurement Officer

From: HEALTH/ Communicable Disease/ Tuberculosis Control  
*Department/Division/Agency*

\*05 ~~APR~~ 10 P5:40

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

Title and description of health and human service(s):

"Increasing Completion of Therapy for Tuberculosis Patients in Hawaii."

To strengthen directly observed therapy (DOT) services by augmenting coverage geographically & improving dosing time for patients. Contracted DOT services would be provided through non-traditional means such as a courier service, whose staff would be appropriately trained to deliver TB medication and observe its ingestion on a daily or other regularly scheduled basis. This is a year-long project to demonstrate the effective use of private services to accomplish the goals for completion of treatment set by the Centers for Disease Control in funding TB programs at the state level. This project also addresses the issue of decreased federal financial support, which has traditionally provided staff positions for DOT outreach workers.

Provider Name: Courier Corporation of Hawaii	Total Contract Funds: \$27,500	Term of Contract: From: To: Aug 22, 2005 Nov 21, 2005
Provider Address: P.O.B.30507,Honolulu, HI 96820	Contract Funds per Year (as applicable). \$110,000	

Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

This request is for a temporary three-month exemption pending the issue of an RFP. The demonstration period for this award is one year only, beginning July 1, 2005. A temporary exemption is being sought to allow the most effective use of available funding over the entire period for which it is available. In order to demonstrate that a non-traditional, courier-type service can, with proper training, effectively provide DOT when budgetary and other concerns limit the program's ability to provide this service through regular staffing, other courier services have been contacted and have either not responded or have not shown interest in this project.

Details of the process or procedure to be followed in selecting the service provider to ensure maximum fair and open competition as practicable:

Other potential providers who have the ability to deliver the services as described by the Proposed Methodology section of the TB Program's application for funding to the American Lung Association (attached) have been contacted. The requirements of the grant have been stated & discussed with each potential provider. The provider selected meets these requirements by having the staff necessary to sustain adequate geographic coverage on a daily basis; the necessary skill level to perform DOT; and availability for proper training by TB Program staff prior to commencing their assignments.

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A description of the state agency's internal controls and approval requirements for the exempted procurement:  
Initial contact with the service provider and details of the project were negotiated by the TB Program's Public Health Advisor (PHA) and approved by the TB Branch Chief. Discussions with subsequent potential providers were conducted by the TB Branch PHAO and approved by the Branch Chief.

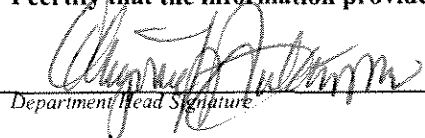
A list of state agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Jessie Wing, M.D., TB Branch Chief  
Michael Zucker, TB PHAO

Direct questions to (name & position): Jessie Wing, M.D., TB Branch Chief	Phone number: 808-832-5737	e-mail address: jxwing@tb.health.state.hi.us
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This exemption should be considered for list of exemptions attached to Chapter 3-141, HAR: Yes ☐ No ☒

**I certify that the information provided above is to the best of my knowledge, true and correct.**

  
Department Head Signature

AUG - 8 2005  
Date

Chiyome Leinaala Fukino, M.D.  
Typed Name

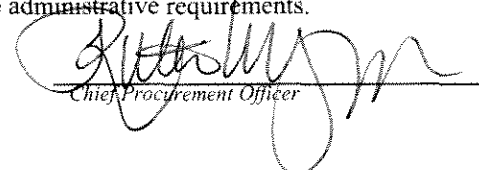
Director of Health  
Position Title

Chief Procurement Officer's Comments:

Please ensure adherence to applicable administrative requirements.

☒ Approved

☐ Denied

  
Chief Procurement Officer

8/22/05  
Date

cc: Administrator  
State Procurement Office



**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
1700 Lanakila Avenue, Ground Floor  
Honolulu, Hawaii 96817  
Phone: (808) 832-5731 FAX: (808) 832-5846  
August 1, 2005

TO: Chief Procurement Officer

FROM: Department of Health, Tuberculosis Control Branch

A handwritten signature in black ink, appearing to read "Michael Zuercher", with a stylized flourish below it.

SUBJECT: **Addendum to Request for Exemption from Chapter 103F, HRS**

A. In addition to Courier Corporation of Hawaii, the following medical service-related vendors were contacted:

1. Diagnostic Laboratory Services, Inc. (DLS)
2. Clinical Laboratories of Hawaii

Rationale:

Both of these vendors provide a similar service to Courier Corporation. That is, they have fleets and drivers that provide island-wide coverage for the pick-up and delivery of biological specimens between medical or clinical facilities. They are therefore familiar with working in a medical environment and maintaining regular schedules.

However, neither DLS or Clinical labs expressed an interest in taking on the work entailed in providing directly observed therapy to TB patients on a daily or other regular schedule. The challenges of maintaining their services and standards at current levels without adding additional resources for a new project were the reasons cited.

B. The following non-medical type courier services were contacted:

1. Crosstown Couriers
2. Pacific Courier
3. Aloha Delivery Service

Response:

These vendors felt that they were either too small to handle this project, or would need to make an investment that they might lose if they were not awarded a contract as the result of a bidding process. Aloha Delivery was willing to consider further discussion, but their business has mostly concerned antique furniture.

The list of courier services in the telephone book is extensive, but responses similar to those given by the above-named vendors might be expected.